

REDACTED – FOR PUBLIC INSPECTION

**VIA ECFS**

June 27, 2016

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

RE: **REQUEST FOR CONFIDENTIAL TREATMENT**  
**WC Docket No. 14-58 - ETC Annual Reports and Certifications**

Request that Information Submitted to the Commission be Withheld from Public Inspection Pursuant to 47 C.F.R. §0.459 and 5 U.S.C. §552(b)(4): Five-Year Service Quality Improvement Plan Progress Report included in FCC Form 481

Confidential Information – Subject to Protective Order Before the Federal Communications Commission

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, Nehalem Telecommunications (the Company), Study Area Code 532387 is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket No. 14-58. *The version of the Company's FCC Form 481 submitted via ECFS is a redacted version of the filing that contains no confidential information.*

The Company, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan progress report and (2) the financial annual report, both of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan progress report is being made pursuant to Section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made pursuant to the FCC's March 22,



2016 *Protective Order* in WC Docket Nos. 10-90 and 14-58. These attachments contain competitively sensitive data that Nehalem Telecommunications maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Company.

**Five-Year Service Quality Improvement Plan Progress Report**

Pursuant to Section 0.459 of the Commission's rules and Exemption 4 of FOIA, Nehalem Telecommunications requests that the text and data extracted from its five-year service quality improvement plan progress report be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Company maintains as confidential. Public availability of this information would have a substantial negative impact on the Company.

In accordance with Section 0.459 of the Commission's rules, the following information is provided in support of this request:

(1) Identification of the specific information for which confidential treatment is sought:

Attachment to Line 112 of FCC Form 481 – Five-Year Service Quality Improvement Plan Progress Report. Specifically, confidential treatment is sought for all information in the five-year plan progress report related to the Company's access line counts, existing broadband capabilities, and current and planned financial investments in its network that will improve service quality, service coverage, and/or service capacity for its customers.

(2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The information was submitted in WC Docket No. 14-58 as an attachment to FCC Form 481- the Carrier Annual Reporting Data Collection Form. Section 100 of FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a progress report on its five-year service quality improvement plan, pursuant to 47 C.F.R. §54.313(a)(1).

(3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The five-year service quality improvement plan progress report contains granular information on the Company's access line counts and/or existing broadband capabilities as well as recent and planned capital investments in its network to improve service quality, service coverage, and/or service capacity. It also contains a

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map of the Company's service area detailing progress toward meeting broadband deployment targets at the wire center level. This is closely guarded, privileged information that the Company does not make publicly available.

- (4) Explanation of the degree to which the information concerns a service that is subject to competition:

Broadband is subject to increasing competition in the areas served by rural, rate-of-return incumbent local exchange carriers (RLECs). Virtually all RLECs face competition from one or more wireless Internet service providers. Most RLECs also face competition from at least one other wireline broadband provider, such as a larger cable company, who will typically seek to "cherry pick" the lower cost portions of the study area. In addition, all RLECs face competition throughout their territories from satellite broadband providers.

- (5) Explanation of how disclosure of the information could result in substantial competitive harm:

Disclosure of the information contained in the five-year plan progress report would provide competitors with detailed, granular information regarding the Company's access line count, its existing broadband capabilities, and its recent and planned network investments that improve service quality, coverage, and/or capacity for subscribers. This would give competitors valuable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Company.

- (6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The Company has continually treated the extracted information in its five-year plan progress report as confidential and carefully controls the information to protect it from competitors. Access to the information is limited to employees that require it and to non-employees with confidentiality obligations such as lenders, consultants, auditors, and attorneys. In addition, when such information is required to be submitted to a state regulatory authority it has been filed as confidential information, not available to the public.



- (7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The redacted information in the five-year plan progress report is not available to the public, and third-party access is limited as described in (6) above.

- (8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

The Company requests that the extracted information be withheld from public inspection indefinitely. The information in the five-year plan progress report details the Company's most recent network upgrades in relation to its previously submitted service quality improvement plan. It may also contain upcoming planned network improvements during the five-year period ending 2019. This information would provide a very useful baseline for competitors for several years beyond that period.

- (9) Any other information that the party seeking confidential information treatment believes may be useful in assessing whether its request for confidentiality should be granted:

Exemption 4 of FOIA shields from public disclosure commercial or financial information obtained from a person that is privileged or confidential. Based on the responses provided above, the information in question satisfies this test.

### **Financial Annual Report**

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the company's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). Nehalem Telecommunications seeks confidential treatment of its financial annual report pursuant to the March 22, 2016 *Protective Order* in WC Docket Nos. 10-90 and 14-58.<sup>1</sup> The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

Nehalem Telecommunications is providing to the Office of the Secretary, under seal, this cover letter and the Form 481 filing which includes the confidential information that is being requested to be withheld from public inspection.

Each page of the five-year service quality improvement plan progress report confidential submission bears the legend, "CONFIDENTIAL – NOT FOR PUBLIC DISCLOSURE."

<sup>1</sup> *Connect America Fund, ETC Annual Reports and Certifications*, WC Docket Nos. 10-90 and 14-58, Protective Order, DA 16-296 (rel. Mar. 22, 2016).

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Each page of the financial annual report confidential submission bears the legend, "CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as attachments to the FCC Form 481.

In the filing submitted via ECFS, all pages containing confidential information bear the legend "REDACTED – FOR PUBLIC INSPECTION."

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric M. Votaw".

Eric Votaw, Senior Manager for  
Moss Adams LLP

EV/ch

Enclosures

cc: Mark Martell, Nehalem Telecommunications

REDACTED FOR PUBLIC INSPECTION

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	Susan Case
<035>	Contact Telephone Number: Number of the person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	susan.case@ruraltel.org
	Form Type	54.313 and 54.422

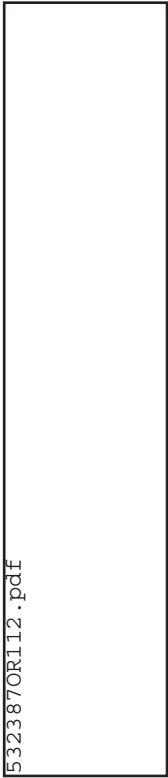
<b>(100) Service Quality Improvement Reporting Data Collection Form</b>		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013	
-----------------------------------------------------------------------------	--	----------------------------------------------------------------------------------	--

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

<110>	Has your company received its ETC certification from the FCC? If your answer to Line <110> is yes, do you have an existing "5 year plan" filed with the FCC?	<input type="radio"/> (yes / no) <input checked="" type="radio"/>
<111>		<input type="radio"/> (yes / no) <input type="radio"/>

If your answer to Line <111> is yes, please file a progress report, on line <112> delineating the status of your company's existing "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.



Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113>	Maps detailing progress towards meeting plan targets	Yes
<114>	Report how much universal service (USF) support was received	Yes
<115>	How much (USF) was used to improve service quality and how support was used to improve service quality	Yes
<116>	How much (USF) was used to improve service coverage and how support was used to improve service coverage	Yes
<117>	How much (USF) was used to improve service capacity and how support was used to improve service capacity	Yes
<118>	Provide an explanation of network improvement targets not met in the prior calendar year.	Not Applicable

<010>	Study Area Code	532387
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<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

<210> For the prior calendar year, were there any reportable voice service outages?

[illegible]



(300) Unfulfilled Service Request  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code	532387
<015> Study Area Name	NEHALEM TELECOMM.
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Susan Case
<035> Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org
<300> Unfulfilled service request (voice)	0
<310> Detail on attempts (voice)	Name of Attached Document
<320> Unfulfilled service request (broadband)	0
<330> Detail on attempts (broadband)	Name of Attached Document

# REDACTED FOR PULIC INSPECTION

<b>(400) Number of Complaints per 1,000 customers</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed voice
<410>	Complaints per 1000 customers for fixed voice	0 . 0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed broadband
<440>	Complaints per 1000 customers for fixed broadband	0 . 0
<450>	Complaints per 1000 customers for mobile broadband	

## REDACTED FOR PULIC INSPECTION

(500) Compliance With Service Quality Standards and Consumer Protection Rules  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	532387OR510.pdf

**(600) Functionality in Emergency Situations  
Data Collection Form****REDACTED FOR PUBLIC INSPECTION**FCC Form 481  
OMB Form No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	532387OR610.pdf

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org
<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	

[illegible]

(710) Broadband Price Offerings  
Data Collection Form

FCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code

532387

<015>	Study Area Name
-------	-----------------

NEHALEM TELECOMM.

<020>	Program Year
-------	--------------

2017

Contact Name - Person USAC should contact regarding this data
<030>

Susan Case

<035>	Contact Telephone Number - Number of person identified in data line <030>

2083662614 ext.

<039> Contact Email Address - Email Address of person identified in data line <030>

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susan.case@ruraltel.org

<711>

[illegible]

-- See attached worksheet --

[illegible]

(900) Tribal Lands Reporting Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013	
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<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
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<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

<900>	Does the filing entity offer tribal land services? (Y/N)	No
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<910>	Tribal Land(s) on which ETC Serves	
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<920>	Tribal Government Engagement Obligation	
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Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

Select Yes or No or Not Applicable

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.



(1000) Voice and Broadband Service Rate Comparability

Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
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<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

<1000>	Voice services rate comparability certification	Yes	
<1010>	Attach detailed description for voice services rate comparability compliance	532387OR1010.pdf	Name of Attached Document
<1020>	Broadband comparability certification	Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau	
<1030>	Attach detailed description for broadband comparability compliance	532387OR1030.pdf	Name of Attached Document

<b>(1100) No Terrestrial Backhaul Reporting</b>		FCC Form 481	
<b>Data Collection Form</b>		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
		July 2013	

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<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

<1100>	Certify whether terrestrial backhaul options exist (Y/N)	<div>Yes</div>
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<1130>	Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).	<div></div>
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<b>(1200) Terms and Condition for Lifeline Customers</b>		FCC Form 481	
<b>Lifeline</b>		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
<b>Data Collection Form</b>		July 2013	

<010>	Study Area Code	532387
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<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
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<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

532387OR1200.pdf

Name of Attached Document

<1210>	Terms & Conditions of Voice Telephony Lifeline Plans	
<1220>	Link to Public Website	HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221>	Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,	<input checked="" type="checkbox"/>
<1222>	Details on the number of minutes provided as part of the plan,	<input checked="" type="checkbox"/>
<1223>	Additional charges for toll calls, and rates for each such plan.	<input checked="" type="checkbox"/>

(2000) Price Cap Carrier Additional Documentation		FCC Form 481
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0819
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers		July 2013

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	208362614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

### Incremental Connect America Phase I reporting

<2010> 2nd Year Certification 47 CFR § 54.313(b)(1)(i) - Note that for the July 1 2016 certification, this applies to Round 2 recipients of Incremental Support

<2011> 3rd Year Certification 47 CFR § 54.313(b)(1)(ii) - Note that for the July 1 2016 certification, this applies to Round 1 recipients of Incremental Support

<2022> Recipient certifies, representing year two after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.

<2023> The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year two - 54.313(b)(2)(ii). Round 2 recipients only.

<2024A> Round 2 Recipient of Incremental Support?

<2024B> Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(iii). Round 2 recipients only.

Name of Attached Document Listing Required Information

<2025A> Round 1 or Round 2 Recipient of Incremental Support?

<2025B> Attach geocoded Information for Phase I milestone reports (Round 1 for year three and Round 2 for year two) - Connect America Fund , WC Docket 10-90, Report and Order, FCC 13-

Name of Attached Document Listing Required Information

<2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

(2000) Price Cap Carrier Additional Documentation (Continued)

Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

<2016> Certification support used to build broadband

**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

<2017A> Connect America Fund Phase II recipient?

<2017B> Attach information for Phase II - 54.313(e)(1) - list of geocoded locations already meeting the 54.309 public interest obligations at the end of calendar year 2015 and total amount of Phase II support, if any, the price

Name of Attached Document Listing  
Required Information

cap carrier used for capital expenditures in 2015.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(2)(iii)

Name of Attached Document Listing  
Required Information

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(2)(v)

<2020> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 40% of its supported locations in the state on December 31, 2017 - 54.313(e)(3)

<2021> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 60% of its supported locations in the state on December 31, 2018 - 54.313(e)(4)

<2026> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 80% of its supported locations in the state on December 31, 2019 - 54.313(e)(5)

<2027> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 100% of its supported locations in the state on December 31, 2020 - 54.313(e)(6)

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Complete the items below to note compliance with five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)		
(3010A)	Milestone Certification {47 CFR § 54.313(f)(1)(i)}	Yes - Attach Certification	
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information	532387OR3010.pdf
(3012A)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(iii)}	No - No New Community Anchors	
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3013)	Is your company a Privately Held ROR Carrier {47 CFR § 54.313(f)(2)}	(Yes/No)	<input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report	(Yes/No)	<input type="radio"/> <input checked="" type="radio"/>
	Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information	
(3018)	If the response is no on line 3014, is your company audited? If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:	(Yes/No)	<input checked="" type="radio"/> <input type="radio"/>
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers		<input checked="" type="checkbox"/>
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows		<input checked="" type="checkbox"/>
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit. If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains:		<input checked="" type="checkbox"/>
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers		<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant		<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.		<input type="checkbox"/>
(3025)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information	532387OR3026.pdf

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

Financial Data Summary	
(3027) Revenue	
(3028) Operating Expenses	
(3029) Net Income	
(3030) Telephone Plant In Service(TPIS)	
(3031) Total Assets	
(3032) Total Debt	
(3033) Total Equity	
(3034) Dividends	

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
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**4005 Rural Broadband Experiment**

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

**Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)**

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

**4001.** Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

**Community Anchor Institutions – FCC 14-98 (paragraph 79)**

**4003a.** RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

**If yes to 4003A, please provide a response for 4003B.**

**4003b.** Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Name of Attached Document Listing Required Information

**Broadband Deployment Locations – FCC 14-98 (paragraph 80)**

**4004a.** Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.

Name of Attached Document Listing Required Information

**4004b.** Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.

Name of Attached Document Listing Required Information



# REDACTED FOR PULIC INSPECTION

<b>Certification - Reporting Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
-------------------------------------------------------------------	----------------------------------------------------------------------------------

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: NEHALEM TELECOMM.	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/24/2016
Printed name of Authorized Officer: Mark Martell	
Title or position of Authorized Officer: Vice President	
Telephone number of Authorized Officer: 2083662614 ext.	
Study Area Code of Reporting Carrier: 532387	Filing Due Date for this form: 07/01/2016
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

# REDACTED FOR PULIC INSPECTION

<b>Certification - Agent / Carrier</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
-----------------------------------------------------------------------	----------------------------------------------------------------------------------

<010> Study Area Code	532387
<015> Study Area Name	NEHALEM TELECOMM.
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Susan Case
<035> Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

**TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:**

<b>Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

**TO BE COMPLETED BY THE AUTHORIZED AGENT:**

<b>Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier</b>	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	
Name of Authorized Agent Firm:	
Signature of Authorized Agent or Employee of Agent:	Date:
Name of Authorized Agent Employee:	
Title or position of Authorized Agent or Employee of Agent	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
<small>Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.</small>	

## Attachments

REDACTED FOR PUBLIC INSPECTION

LINE 112 – Five Year Service Quality Improvement Progress Report

REDACTED FOR PUBLIC INSPECTION

Response Line 510  
Nehalem Communications  
Study Area 532387

**Voice Network**

Pursuant to 47 C.F.R. § 54.313(a)(5) and or 47 C.F.R. § 54.422(b)(3) Nehalem Communications (“Nehalem”) is in compliance with appropriate FCC Service Quality Standards and Consumer Protection Rules. Nehalem provides CPNI training to all of its new employees and in addition trains all of its existing employees on an annual basis. Nehalem also conducts subscriber outreach regarding CPNI by placing CPNI explanation onto its website at [www.rtc.net](http://www.rtc.net) which informs subscribers about CPNI rules and other applicable customer rights and obligations. In addition Nehalem trains staff on Red Flag issues on an annual basis. All company employees are required to sign and acknowledge that they have completed CPNI and Red Flag training and understand obligations to adherence of applicable rules.

Nehalem also outlines its rates, terms, and conditions under which Nehalem offers service in its Local Exchange Tariff. The tariff explains customer rights and obligations, customer service, dispute resolution, deposits, billing and payment options, disconnection of service as well as cancellation of service options. Nehalem keeps its tariffs available for public inspection at its business offices.

**Broadband Network**

Pursuant to 47 C.F.R. § 54.313(a)(5) and or 47 C.F.R. § 54.422(b)(3) Nehalem is in compliance with applicable FCC Service Quality Standards and Consumer Protection Rules. Nehalem trains staff on applicable rules for broadband services issues on an annual basis. In addition Nehalem has placed on its website at [www.rtc.net](http://www.rtc.net) its network practices and policies regarding FCC’s Net Neutrality Rules.

Nehalem also outlines its rates, terms, and conditions under which Nehalem offers Broadband service in NECA Tariff #5 to Internet Service Providers (“ISP”). The Tariff explains customer rights and obligations, customer service, dispute resolution, deposits, billing and payment options, disconnection of service as well as cancellation of service options. Public inspection of NECA Tariff #5 can be found on NECA’s website. Retail DSL rates, terms, and conditions for retail services are provided by the ISP.

Response Line 610  
Nehalem Communications  
Study Area 532387

Functionality in Emergency Situations:

**Voice Network**

Pursuant to 47 C.F.R. § 54.313(a)(6) and 47 C.F.R § 54.22(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2) Nehalem Communications ("Nehalem") meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to Nehalem central offices by use of a generator and batteries that provide it with 8 hours of emergency power. In addition, Nehalem field electronics have 8 to 12 hours of back-up power by use of generators and batteries. Nehalem also has SONET technology deployed in its core fiber optic network that is self-healing and will automatically reroute traffic should a fiber cut occur. Nehalem has also sufficient spare cards for its fiber optic network to provide almost instantaneous replacement should there ever be a card failure in the core network. Nehalem also has proper staff in place to repair any fiber cuts in a timely manner. Nehalem has connectivity with neighboring telephone exchanges as well as the LATA tandem to provide diverse options to reroute traffic should an emergency arise. Nehalem has developed and trained its staff on network preparedness plans in case of emergency situations. Nehalem is prepared and capable of managing traffic spikes resulting from emergency situations and has sufficient switching capabilities to handle such situations.

**Broadband Network**

Pursuant to 47 C.F.R. § 54.313(a)(6) and 47 C.F.R § 54.22(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2) Nehalem Communications ("Nehalem") meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to Nehalem central offices by use of a generator and batteries that provide it with 8 hours of emergency power that is also used to provide service to the broadband network. In addition, Nehalem field electronics have 8 to 12 hours of back-up power by use of generators and batteries. Nehalem also has SONET technology deployed in its core fiber optic network that is self-healing and will automatically reroute broadband traffic should a fiber cut occur. Nehalem has also sufficient spare cards for its fiber optic network to provide almost instantaneous replacement should there ever be a card failure in the core network. Nehalem also has proper staff in place to repair any fiber cuts in a timely manner. Nehalem has connectivity with neighboring telephone exchanges to reroute traffic should an emergency arise. Nehalem has developed and trained its staff on network preparedness plans in case of emergency situations.

<010>	Study Area Code	532387
<015>	Study Area Name	NEHALEM TELECOMM.
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Susan Case
<035>	Contact Telephone Number - Number of person identified in data line <030>	2083662614 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	susan.case@ruraltel.org

1/1/2016

<701>	Residential Local Service Charge Effective Date
<702>	Single State-wide Residential Local Service Charge

[illegible]

[illegible]



Response to Line 1010  
Nehalem Communications  
Study Area 532387

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10 ) Nehalem Communications (“Nehalem”) is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of \$47.48 as specified in Public Notice DA 16-362 issued on April 5, 2016. Nehalem’s current total local end-user rate<sup>1</sup> of \$16.06(which includes a local fee of \$14.80, mandated state fees of \$1.26 and mandatory extended area service charges of \$0.00) is not above the standard deviation as specified in the USF/ICC Transformation Order.<sup>2</sup>

<sup>1</sup> Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

<sup>2</sup> USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) “The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average.”

Response to Line 1030  
Nehalem Communications  
Study Area 532387

Broadband Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (11) Nehalem Communications charges a residential rate of \$39.95 for broadband providing 10 Mbps download, 1 Mbps upload, and an unlimited usage allowance. This rate is lower than \$75.20, which is the 2016 reasonable comparability benchmark for the same offering established by the Wireline Competition Bureau.<sup>1</sup>

<sup>1</sup> *Wireline Competition Bureau Announces Results of 2016 Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes*, Public Notice, WC Docket No. 10-90, DA 16-362 (rel. April 6, 2016).

Nehalem Telecommunications, Inc.

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## LOCAL ACCESS LINE SERVICE

## OREGON TELEPHONE ASSISTANCE PROGRAM (LIFELINE OR OTAP)

(D)

OREGON TELEPHONE ASSISTANCE PROGRAM (LIFELINE OR OTAP) (T)

Lifeline provides for a discount against the recurring monthly rate for the provision of local residential service for certain low-income customers. Lifeline is a joint State (C) and Federal Program pursuant to 47 C.F.R. Subpart E, §54. In order to be eligible for Lifeline, subscribers must meet the requirements for the Oregon Telephone Assistance Program as defined in OAR 860-033-0030.

Lifeline subscribers may subscribe to toll blocking at no extra charge. Toll blocking is a service provided that allows OTAP recipients to elect not to allow the completion of outgoing toll calls from their telecommunications circuit (OAR 86-033-005 (9)). Lifeline subscribers who subscribe to toll blocking will not be required to pay service deposits in order to initiate service.

Lifeline subscribers will not be disconnected for non-payment of toll charges, regardless of whether toll blocking is activated on their service. Partial payments received from Lifeline subscribers will be first applied to local service and then to toll charges.

Lifeline will not be furnished with Foreign Exchange service.

The following services are included in Lifeline:

- 
- Single party, voice grade access to the Public Switched Network
  - Access to emergency services
  - Access to operator services
  - Access to interexchange services, unless toll blocking is chosen
  - Access to directory assistance
  - Toll Blocking
- 

The discount will begin with the date the company receives a valid application from the customer or when new service is established for a qualifying customer. The discount will be prorated from the effective date of the customer's application. The discount is applicable only to one access line at a residential customer's principal residence.

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ADVICE NO. 12ISSUED: May 25, 2012EFFECTIVE: May 29, 2012ISSUED BY: Nehalem Telecommunications, Inc.

Nehalem Telecommunications, Inc.

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OREGON TELEPHONE ASSISTANCE PROGRAM (LIFELINE OR OTAP)  
(Cont.)

The reductions to be applied to the residential one-party rate are as follows:

Baseline Federal Lifeline Reductions	\$3.50
Supplemental Federal Reduction	1.75
State Supported Reduction (OTAP)	3.50
Additional Federal Reduction*	<u>1.75</u>
*equal to ½ of OTAP amount	
Total	\$10.50

These reductions are from the normal residential one-party service subscribed to by the subscriber. The Baseline Federal Lifeline Reduction shall be used to waive the subscribers' Federal End User Common Line charge or SLC.

(D)

(D)

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ADVICE NO. 12ISSUED: May 25, 2012EFFECTIVE: May 29, 2012ISSUED BY: Nehalem Telecommunications, Inc.

REDACTED FOR PUBLIC INSPECTION

Nehalem Telecommunications, Inc.

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## LOCAL SERVICE

LOCAL ACCESS LINE RATES  
BUSINESS SERVICERATES

One party 16.00 (I)

Trunk hunting 15.00

Centrexmonthly

## Multiline Variety Package (MVP)

in addition to one party rate

6.00 per line

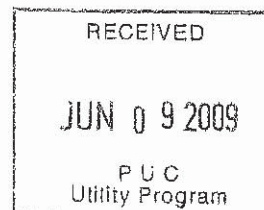
in addition to trunk hunting rate

4.00 per line

(D)

(D)

The above rates do not include premise inside wire, the telephone instrument or other terminal equipment



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ADVICE NO. 5ISSUED: June 14, 2009EFFECTIVE: July 15, 2009ISSUED BY: Nehalem Telecommunications, Inc.

REDACTED FOR PUBLIC INSPECTION

Nehalem Telecommunications, Inc.

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## LOCAL SERVICE

## LOCAL ACCESS (Continued)

## RESIDENCE SERVICE

RATES

One party service	13.00	(I)
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(D)

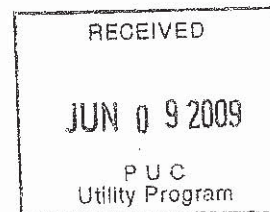
(D)

The above rates do not include customer premises inside wire, the telephone instrument or other terminal equipment, except with semi-public service, one coin telephone instrument is included.

Oregon Telephone Assistance Program (OTAP) Credit

The above rates do not include the Oregon Telephone Assistance Program (OTAP) credit.

The above rates do not include the Service Assistance Program Surcharge.



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ADVICE NO. 5ISSUED: June 14, 2009EFFECTIVE: July 15, 2009ISSUED BY: Nehalem Telecommunications, Inc.

Response to Line 3010  
Nehalem Communications  
Study Area 532387

#### Milestone Certification

Pursuant to 47 C.F.R. § 54.202(a) Nehalem Communications (“Nehalem”) provides this certification that it is taking reasonable steps to provide upon reasonable request broadband speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to offerings in urban areas as determined in an annual survey as specified in Public Notice DA 16-362, and that requests for such service are met within a reasonable amount of time. Details for how Nehalem is meeting its obligations and goals as required are specified within the FCC Form 481 annual filing.

REDACTED FOR PUBLIC INSPECTION

LINE 3026— Audited Financial Statements

REDACTED FOR PUBLIC INSPECTION